



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

March 7, 1997

Russell Feller
Feller Holding Corporation
688 East Chad Ranch Road
Veyo, Utah 84782

Re: Status of Small Mining Permit, Honey Onyx, S/023/027 (ML 43753) Juab County, Utah

Dear Mr. Feller:

On November 18, 1996, the School and Institutional Trust Lands Administration ("SITLA") sent you a letter stating that your lease # ML 43753 was canceled for the Honey Onyx site in August 1996, for failure to provide bonding as required. SITLA required that you commence immediate reclamation of all mining disturbances upon the lands. You were given 180 days to complete the reclamation work.

To date, we have not received your 1996 annual reports for any of your mining operations. Therefore, we do not know your intention regarding SITLA's letter. This is to notify you that **no mining related work other than reclamation can be done** on any sites on state leased lands unless you have the proper leases in place. Continued mining related work at the site places you in direct violation of the Utah Mined Land Reclamation Act. Please advise us as to your intent to respond to SITLA's request for immediate reclamation of this mining site.

Also, please complete and submit your annual report for this site as well as your other small mining operations, as required by law. Thank you for your immediate response to this letter.

Sincerely,

A handwritten signature in cursive script that reads "Thomas Munson".

Tom Munson
Senior Reclamation Specialist

jb
cc: John Blake, SITLA
S0023027.ltr